

TOGETHER,
AMERICA CAN DO BETTER

2005 YEAR IN REVIEW

HOUSE DEMOCRATS FIGHT FOR ALL AMERICANS

Republicans' Culture of Corruption Helps Only Special Interests

REPUBLICANS' CULTURE OF CORRUPTION

Helps Only Special Interests, Ignores America's Priorities

DEMOCRATS UNITED TO MAKE AMERICA BETTER

Republicans Have Lost Control of Deficits, Iraq, Gas Prices, and Health Care Costs

OFFICE OF THE DEMOCRATIC LEADER
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DECEMBER 16, 2005

HOUSE DEMOCRATS FIGHT FOR ALL AMERICANS

Republicans' Culture of Corruption Helps Only Special Interests

Throughout the year, House Democrats have offered concrete, positive solutions that reflect the priorities of all Americans. While House Republicans have been consumed by a culture of corruption, promoting the priorities of the wealthy few, Democrats have been fighting for a stronger America and a government that addresses the concerns of all Americans.

Democrats believe that America can do better than a Congress focused on the special interests and not on the priorities of everyday Americans. Democrats are voting with unprecedented unity to make America stronger by focusing on the issues hard working families care most about: national security that makes us safer, an economy that fosters job growth, affordable access to health care, energy independence to bring lower costs to consumers, and an honest government that works for everyone, not just the wealthy few. Here are some of the key fights Democrats have made in 2005, and to which we remain committed.

A STRONGER AMERICA, AT HOME AND ABROAD

Demanding a Strategy for Success in Iraq

Democrats in the House unanimously voted to require President Bush to submit a plan for success in Iraq with specific benchmarks.

Protecting Americans Here at Home

Democrats demand implementation of all of the recommendations of the 9/11 Commission, and will continue to fight for bipartisan solutions that will keep Americans safer. In a key vote, virtually all Republicans opposed the 9/11 recommendations.

Standing Up for our Veterans

Democrats proposed a GI Bill of Rights for the 21st Century to improve health care and education benefits for our servicemen and women. Democrats have pledged to end the Military Families Tax and the Disabled Veterans Tax, providing long overdue benefits for our veterans, military retirees and their families. Meanwhile Republicans enacted real cuts in veterans programs while our nation is at war.

A GOVERNMENT THAT WORKS FOR ALL AMERICANS, NOT JUST THE WEALTHY FEW

Innovation Agenda to Expand Jobs and Small Businesses, and Keep America #1

Democrats have advanced a groundbreaking Innovation Agenda to increase American competitiveness by creating a skilled workforce in science, math, engineering, and information technology, spurring federal research and development, guaranteeing access to broadband technology for all Americans, and achieving energy independence in 10 years through emerging technologies for clean and sustainable alternatives. Every House Democrat also fought to protect loans for small businesses, which create most of our jobs, while Republicans forced through nearly \$80 million in cuts, representing a loss of 500,000 jobs.

Ending Price Gouging and Lower Home Heating Costs

Democrats unanimously supported legislation to prosecute companies that cheat consumers, channeling heavy fines from oil company price gougers to help consumers pay home heating bills, to farmers and small businesses.

Protecting Access to Health Care

Democrats in the House unanimously fought Republican plans to cut Medicaid health care by more than \$11 billion and require enrollees to pay more for medical services.

Strengthening Our Schools

Democrats offered the Strengthen Our Schools plan to increase the high-quality teachers in the classroom, and stood united against Republican proposals to cut reading and math programs for more than 3 million children.

Making College More Affordable

Every House Democrat stood with students and families facing skyrocketing tuition costs to fight a Republican plan that raises the costs to the average student borrower by \$5,800.

Protecting Our Environment

Democrats were united in making sure our water is clean and polluters pay for clean-up, voting against the Republican proposal to protect oil companies from lawsuits involving MTBE-contaminated drinking water.

SECURITY FOR SENIORS**Protecting Social Security**

Democrats were united in protecting Social Security from risky Republican privatization that would have slashed benefits for the middle class, dismantled Social Security, and increased the debt.

Strengthening Retirement Security (AmeriSave)

Democrats created the AmeriSave plan to match personal savings in retirement accounts for nearly 100 million Americans.

Lowering Prescription Drug Costs

Democrats are supporting legislation to lower prescription drug costs by using the government's mass purchasing power to negotiate lower drug prices and permitting the safe reimportation of prescription drugs. Both efforts are opposed by Republicans and the pharmaceutical industry. As a result, seniors are paying 80 percent more for drugs than if the government had authority to negotiate lower prices. Democrats are also authored legislation to give beneficiaries an additional six months to choose one of the confusing new prescription drug plans without facing heavy penalties imposed by the controversial law.

HONESTY AND RESPONSIBILITY IN GOVERNMENT**Combating Corruption and Cronyism**

Every House Democrat voted to restore an effective, bipartisan ethics process in Congress, rejecting a Republican plan to allow indicted members to serve as Party leaders. Democratic reforms include cutting ties between special interest lobbyists and lawmakers, and mandating that only proven and experienced individuals – and not incompetent cronies – hold emergency preparedness and disaster response jobs.

Ensuring Fiscal Responsibility

Every Democrat in the House voted against the fiscally and morally irresponsible Republican budget, which increased the deficit by \$127 billion over five years while cutting veterans' benefits, and investments in education and health care. Democrats put forward an alternative that would have resulted in a balanced budget without unfair cuts.

REPUBLICANS' CULTURE OF CORRUPTION

Helps Only Special Interests, Ignores America's Priorities

The record of the Bush Administration and congressional Republicans has constantly favored the wealthy few and special interests instead of the priorities of everyday Americans. Republicans have passed huge giveaways to special interests, like the energy bills for the oil companies, the prescription drug bill for the pharmaceutical industry, health care measures for HMOs and insurance companies, and tax breaks for the wealthy. They failed in the response to Hurricane Katrina, obstructed fair representation at the ballot box, and undercut ethics rules.

REPUBLICAN CULTURE OF CORRUPTION RESULTS IN HIGHER COSTS FOR CONSUMERS

Energy Bill

The Republican energy law passed this summer gives billions in special-interest provisions to oil and gas companies that are enjoying record profits. The Wall Street Journal called it a "felony" that "will raise gasoline prices in more places than it reduces them." The measure was based on the President's energy plan that was written in secret by the Cheney Task force that included big oil and energy lobbyists. After collecting millions in the 2004 elections from the oil and gas industry, Republicans forced through a second energy bill this fall that would add an extra \$3.5 billion in subsidies for the energy industry, while blocking tough anti-price gouging provisions proposed by Democrats to assist consumers paying soaring prices at the pump and for home heating.

Prescription Drugs

The Republican prescription drug bill was designed to benefit drug companies and HMOs, instead of seniors and people with disabilities. This bill was written by a GOP committee chairman who was negotiating a multi-million dollar job with the drug industry's lobby, and passed after Republicans held the vote open for nearly three hours, as they offered to bribes for votes. Because it was written to meet the interests of drug companies and HMOs, the GOP drug plan is unnecessarily complicated and confusing, and includes a ban on the federal government negotiating for lower drug prices. As a result, seniors are paying 80 percent more for drugs.

Health Care for Special Interests, Not Consumers

Republicans have passed harmful health care bills that benefit special interests. The Republican Medical Malpractice bill protects HMOs, big insurance companies, and drug companies from liability for their mistakes, and fails to bring down health care costs for doctors or patients. On behalf of the insurance industry, Republicans also passed an Association Health Plan bill that would increase the health insurance premiums for 75 percent of small business employees, increase the number of uninsured, and reduce coverage for procedures like mammography and prostate surgery.

REPUBLICAN CULTURE OF CORRUPTION IMPACTS MIDDLE-CLASS FAMILIES

Tax Breaks for the Wealthy and Higher Taxes for the Middle Class

To benefit wealthy contributors financing their campaigns, in December, Republicans passed another round of tax breaks for the wealthy few, including a cut in capital gains and dividends. That measure provided \$32,000 in tax breaks for millionaires, while raising taxes on 15 million middle-class families. These tax breaks would both increase the deficit, and require significant cuts in health care and student loans.

Social Security Benefit Cuts

The Republicans' top priority for 2005 was a privatization scheme that would have slashed benefits for the middle class, dismantled Social Security, and increased the debt. A unified Democratic Caucus fought the privatization scheme and protected Social Security's guaranteed benefit. The Republican Congress has failed to protect pension benefits that workers were promised as companies dumped billions of dollars in pension liabilities onto the Pension Benefit Guarantee Corporation, while executives continue to enjoy multi-million dollar retirement packages.

Cut Overtime Pay and No Minimum Wage Increase

Republicans in Congress have rejected raising the minimum wage to increase the paychecks of 7.5 million workers at a time of stagnating wages. The minimum wage has returned to a historically low level in terms of purchasing power. Congress also voted to cut the overtime pay for millions of middle-income workers. These efforts have been supported by business associations that give millions to Republican campaigns.

REPUBLICAN CULTURE OF CORRUPTION REWARDS CRONYISM, AND RESULTS IN NO-BID CONTRACTS

Failed Response to Hurricane Katrina

The Republican culture of cronyism and corruption has failed the survivors of Hurricanes Katrina and Rita. The Bush Administration appointed incompetent cronies, such as Michael Brown, the former FEMA Director, to oversee the hurricane relief effort. They awarded hundred of millions of dollars worth of no-bid contracts to politically-connected corporations – including Halliburton, and Bechtel, some of which cheated taxpayers on no-bid contracts in Iraq. More than 100 days later, Republicans have failed in meeting the needs of Katrina families, small businesses and communities; and have failed on rebuilding the destroyed areas. The result is that there is no housing plan for the hundreds of thousands of people still displaced by Hurricane Katrina, and only 5 percent of small business disaster loans have been processed. Thousands of people will spend the holidays in tents and mobile homes because of FEMA's failure to respond.

No-Bid Iraqi Contracts

Administration cronies awarded no-bid contracts to politically-connected companies, including Halliburton's secret \$7 billion contract to restore Iraq's oil infrastructure. The result has been extensive, documented cases of waste, fraud and abuse. Pentagon auditors are questioning \$1.4 billion of the bills that Halliburton submitted for its Iraq work and a Halliburton manager has been indicted for "major fraud against the United States."

Pork Barrel Politics and the Bridge to Nowhere

Under Republican control, the number of earmarked spending projects have proliferated, increasing from about 1,400 in 1995 to nearly 14,000 in 2005, including the infamous \$223 million "Bridge to Nowhere" in Alaska connecting Gravina Island, with a population of 50, to the mainland of Alaska.

Texas Redistricting/Politicizing Voting Rights Decisions

President Bush's cronies in the Justice Department overruled the unanimous recommendations of career attorneys to approve the Tom DeLay Texas Redistricting plan, even though it diluted minority representation. They also rejected recommendations regarding the new Georgia voting requirements, even though career Justice Department lawyers said these controversial requirements would reduce African Americans' access to the polls and harm the interests of minority voters. The Supreme Court has agreed to review the Texas Republican redistricting scheme.

Office of the House Democratic Leader Nancy Pelosi, December 16, 2005

DEMOCRATS UNITED TO MAKE AMERICA BETTER

Republicans Have Lost Control of Deficits, Iraq, Gas Prices, and Health Care Costs

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House Democrats are united in advancing Americans' priorities on issues like energy independence, strengthening Social Security, expanding jobs and the economy, real national security, health care, and honesty in government to bring our country together so we can do better.

Together, we have put forward specific proposals to reduce gas and home heating prices, while Republicans have offered tax breaks to oil companies who've enjoyed record profits. On jobs and the economy, Democrats have offered initiatives for small business, the primary job creator in our economy, to help those whose jobs are outsourced, and for investments in quality education. But Republicans have rejected these proposals. Instead they have offered budget policies that increase the deficit, while failing to put people first.

Democrats stood firm to protect Social Security, while Republicans voted to raid the trust fund and fought to cut benefits by privatizing Social Security. Democrats have voted to protect our country against terrorism and to bring accountability and success to our efforts in Iraq. Republicans have rejected these efforts, instead choosing to protect cronies like Halliburton in Iraq. Democrats are also working to honor our commitment to those who have served our country in the military by keeping our promise to returning soldiers and providing health care for Reservists. Republicans have rejected these Democratic proposals.

Democrats will continue to press for the answers the American people deserve about the misuse of pre-war intelligence to justify the war in Iraq.

These Democratic initiatives have received broad support from Democrats in Congress. They represent the true values of the American people. They have been defeated only because Republicans voted against the priorities of the American people. The votes outlined below illustrate the stark differences between the Democrats' unified commitment to American priorities and Republicans' commitment to their special interest agenda.

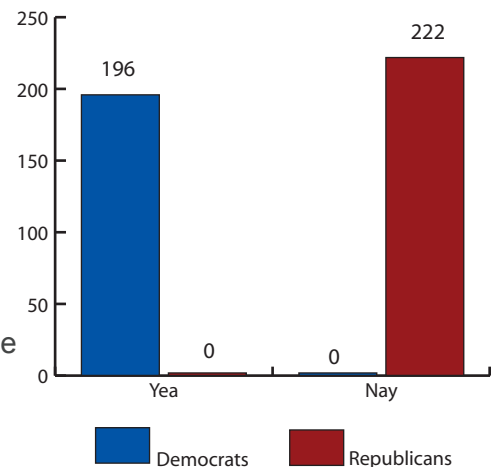
They also demonstrate Democrats' unity in fighting the misplaced priorities and failed policies that Republicans have put forward. Republicans have lost control of deficits, gas prices, Iraq, and health care costs. That is why Democrats demand change and a new direction for our country.

One year from now, the most important vote will occur - the vote of the American people. In November 2006, America will have a clear choice between Democrats' dedication to America's priorities and Republicans' ethically challenged special interest agenda. Democrats believe that together, America can do better.

BRING DOWN GAS AND HOME HEATING PRICES

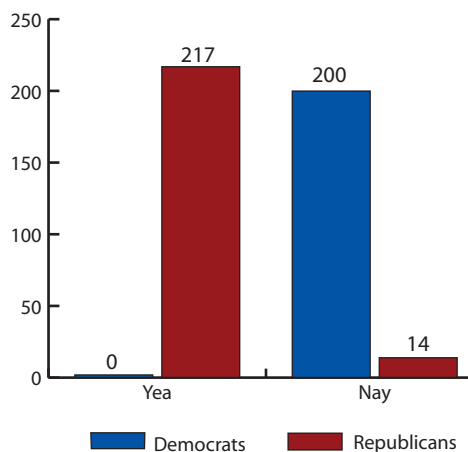
For Tough Price Gouging Bill to Help Consumers with Energy Costs/Democratic substitute to Republicans 2nd energy bill.

Democrats unanimously supported the Stupak-Boucher proposal to provide consumers relief through effective anti-price-gouging measures both for gasoline and home heating costs. This would have given the Federal Trade Commission explicit authority to stop price gouging, not just for gasoline and diesel, but for natural gas, home heating oil, and propane. The substitute provides for enhanced civil penalties equal to three times the amount of unjust profits gained or up to \$3 million per day, explicitly outlaws market manipulation, and empowers state Attorneys General to enforce the federal law. This proposal provides relief to consumers facing skyrocketing home heating cost by expanding the Low-Income Home Energy Assistance Program (LIHEAP) through fines from price-gouging companies. Further, by deterring price-gouging, this measure would provide relief to consumers, small businesses, and farmers paying record energy prices. (H.R. 3893, Vote #517, 10/7/2005; Rejected 199-222: R 2-222; D 196-0; I 1-0)



JOBS, EDUCATION, HEALTH CARE AND ECONOMY

Against Harmful Spending Cuts to Pay for Tax Breaks for the Wealthy Few.



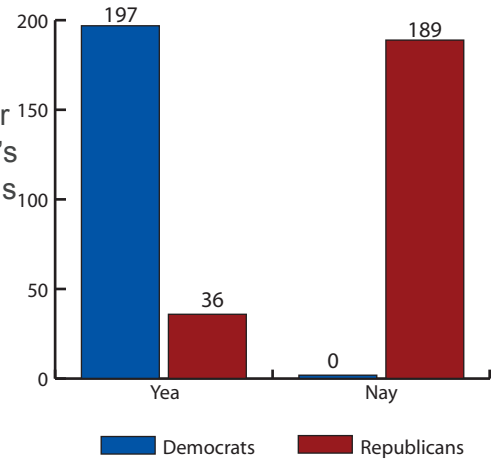
Democrats were united in opposing the Republican bill that would cut health, student loan, child support, and Food Stamp programs by nearly \$50 billion. It cut Medicaid by more than \$11 billion, requiring Medicaid enrollees to pay substantially more for the health care they need, raised the costs to the average student borrower by \$5,800, and reduced child support collections by \$24.1 billion -- leaving struggling single parent families in poverty and letting deadbeat dads off the hook. This Republican budget package actually increases the budget deficit, as all of the spending cuts in such vital programs as student loans and health care

are being used to help pay for billions in tax cuts for the wealthy few that will soon be considered by the House. (HR 4241, Vote 601, 11/18/05, Passed 217-215: R 217-14; D 0-200; I 0-1)

Against Harmful Cuts in Education, Job Training, and Health Care. Democrats came together in defeating the Labor-HHS conference report that cut investments in critical education, health care and job assistance by \$1.5 billion from last year. This bill would deny 3.1 million children the needed help with the reading and math they were promised, make college even less affordable with the maximum Pell Grant once again being frozen, and mean that fewer NIH research grants will be awarded this year than two years ago. (HR 3010, Vote 598, 11/17/05; Rejected 209-224: R 209-22; D 0-201; I 0-1)

Help Small Business Owners with 7(a) loans.

Democrats offered and unanimously supported an amendment to restore a \$79 million cut in funding - from FY 2004 levels - for small business loans. Over the past decade, the Small Business Administration's 7(a) loan program provided more than 424,000 loans for over \$90 billion to our nation's small businesses. For entrepreneurs, the 7(a) loan program provides an essential safety valve by allowing operations access to the capital they need to expand their operations and hire new employees. The 7(a) loan program, which provides 30 percent of all long-term loans, is a proven job creator. For every \$33,000 loan, one job is created, meaning the amendment would help create an additional 500,000 jobs, and would help the program to achieve record levels of loans. The amendment was adopted, 234-189. (HR 2862, Vote #246, 6/14/05; R 36-189; D 197-0; I 1-0)

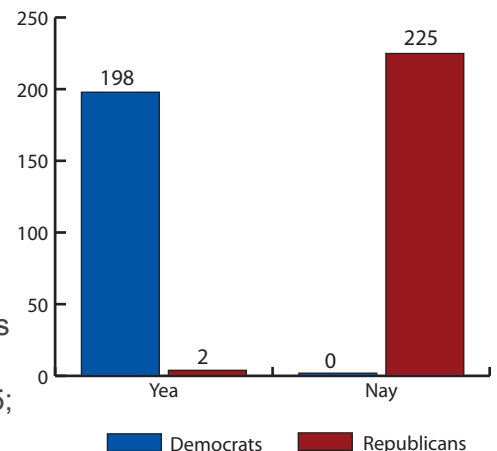


Helping Workers Whose Jobs Have Been Outsourced. Democrats unanimously supported a motion to a job training reauthorization bill to provide extra assistance to workers whose jobs have been outsourced overseas. Half a million jobs have been outsourced over the past 3 years while an additional 830,000 jobs are expected to be outsourced in 2005. Between 3.3 million and 6 million jobs may be sent overseas in the next 10 years. While the manufacturing sector has been hard hit, an estimated 181,000 computer jobs will also be moved offshore by the end of 2005. Last year, state and local governments outsourced \$10 billion of public projects. The motion failed, 197-228. (HR 27, Vote #47, 3/2/05; R 0-228; D 196-0; I 1-0)

Fund Priority Education Programs. Democrats unanimously supported a motion to add an additional \$7.8 billion for spending on priority education programs. The proposal included \$3 billion more for Title I reading and math services for nearly 1 million additional low-income students and \$1.9 billion more for Pell Grants, in order to increase the maximum Pell Grant by an additional \$450 - raising it to \$4,550 (the GOP bill raised it only by \$50 - from the current \$4,050 to \$4,100). The alternative proposal would also have added \$1.56 billion more for special education and \$939 million more for after-school centers, child care and Head Start centers. The motion failed, 185-216. (HR 3010, Vote #320, 6/24/05; R 0-216; D 184-0; I 1-0)

IRAQ AND NATIONAL SECURITY**Protect our Country from Terrorism/Democratic Effort to Plug Gaping Holes In Nation's Borders.**

Democrats unanimously voted for a motion to add \$284 million to an emergency spending bill for securing the nation's borders. The 9/11 Commission highlighted that the United States lacked a true border security system, and that illegal entry across our borders was far too easy. The added funding would have hired 550 additional border patrol agents and 200 additional immigration investigators. The motion failed, 201-225. (HR 1268, Vote #160, 5/5/05; R 2-225; D 198-0; I 1-0)



Full Accounting For Billions Of Taxpayer Dollars Spent On Iraq. Democrats unanimously supported an amendment to provide \$5 million to establish a select committee to investigate reconstruction efforts in Iraq and Afghanistan, including contracting procedures, protection against money laundering, and the allocation of contracts to foreign companies and small businesses. In October 2004, the International Advisory and Monitoring Board released an audit of the Bush Administration's management of Iraqi oil proceeds and other funds in the Development Fund for Iraq. Problems found involved hundreds of millions of dollars, numerous sole source contracts and missing and nonexistent contract files. The amendment was rejected, 191-236. (HR 1268, Vote #72, 3/15/05; R 0-226; D 190-10; I 1-0)

Require a Plan for Success in Iraq. Democrats unanimously supported an amendment requiring President Bush to submit a plan for success in Iraq, supply the military with adequate equipment and other resources to complete their mission, and provide veterans with adequate health care services. The proposal was debated during consideration of the State Department authorization bill. Had the plan passed, it would have required the president to outline benchmarks for success in Iraq – including the adoption of a constitution, free and fair elections, and a plan for economic development – that could be used to determine when Iraq is sufficiently stable to allow for the return home of American soldiers. The motion also noted that the lack of a clear strategy for success in Iraq could undermine the morale of U.S. troops. The proposal was rejected, 203-227. (HR 2601, Vote #398, 7/20/05 R 2-227; D 200-0; I 1-0)

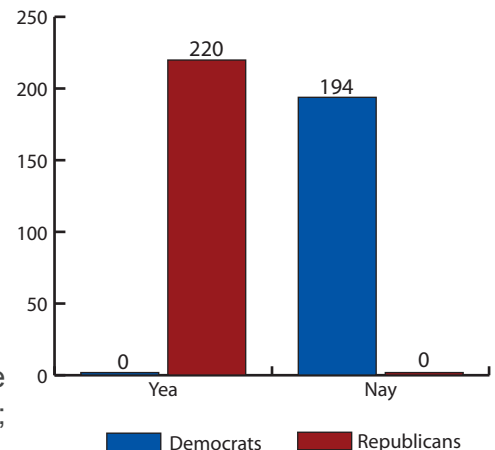
RETIREMENT SECURITY

Protect Social Security/Previous Question on the Budget Resolution. All but one Democrat voted to provide for the immediate consideration of a bill (H.R.1330) to protect Social Security by mandating that Social Security payroll taxes cannot be diverted away from Social Security to establish private accounts after adoption of the budget resolution. (Motion to defeat the previous question failed by a vote of 230-202: R 229-0; D 1-201; I 0-1; H Con Res 95, 3/16/2005)

HONESTY IN GOVERNMENT

Opposed Weakening House Ethics Rules.

Democrats unanimously opposed GOP House rules curtailing the ways ethics investigations can be launched. The rule made ethics investigation almost impossible to pursue, by allowing one party to block the Ethics Committee from investigating the facts of the complaint, which the former Republican chairman of the Ethics Committee said would: “undermine the committee’s mission, not to mention the integrity of the House.” (Congress Daily AM, 3/16/05) The rules passed, 220-195. [H Res 5, Vote #6, 1/4/05; R 220-0; D 0-194; I 0-1]



For Bipartisan Ethics Task Force. Twice Democrats unanimously voted to seek to pass resolution that would require the Speaker of the House to appoint a bipartisan task force, with equal representation of Republicans and Democrats, to make recommendations to restore public confidence in the House ethics process. In one of those cases, one courageous Republican joined with us. (Motion to table (kill the resolution) was agreed to 218-195: R 218-2; D 0-192; I 0-1; H.Res. 213, CQ House Vote 106, 4/14/2005) (Motion to table (kill the resolution) was agreed to 223-194: R 223-1; D 0-192 H.Res. 153, CQ House Vote 70, 3/15/2005)

HONORING OUR COMMITMENT TO OUR TROOPS AND VETERANS

Supporting our Troops and Veterans/Funding Needs for Returning Soldiers. 98 percent of Democrats supported an amendment by Congressman Charlie Melancon of Louisiana to provide an additional \$53 million for urgently needed funding for items critical for veterans returning from the wars in Iraq and Afghanistan. These funds would have been used for combat-related trauma care centers, telemedicine initiatives for trauma care centers, VA medical and prosthetic research, survivors of those who die from service-connected deaths, and for processing claims for compensation and pension benefits. The amendment failed, 213-214. (HR 2528, Vote #224, 5/26/05; R 19-210; D 193-4; I 1-0)

Supporting our Troops and Veterans/Providing TRICARE/health care for Reservists. Democrats unanimously supported an amendment by Gene Taylor of Mississippi to provide full TRICARE benefits to all members of the Guard and Reserve and their families. This was offered as a motion to recommit the Defense Authorization bill, and was narrowly defeated by a vote of 211 to 218. Currently, the Guard and Reserve are covered by TRICARE only when they are mobilized for active duty. Under the Taylor amendment, all members of the Guard and Reserve could buy into TRICARE for an affordable monthly premium. A 2003 report by the General Accounting Office showed that 20 percent of all Reservists do not have health insurance, and 40 percent of Reservists aged 19 to 35 lack health coverage. According to the latest Defense Department data, 18 percent of activated Reservists have no medical coverage. The motion failed, 211-218. (HR 1815, Vote #221, 5/25/05; R 9-218; D 201-0; I 1-0)

BETTER COMMUNITIES AND CLEANER ENVIRONMENT

Making Sure Our Water is Clean & Polluters Pay/Stopped Protection for Companies Responsible For MTBE Water Contamination. Democrats tried to delete Republican proposals to protect producers of the gasoline additive, MTBE, from lawsuits stemming from contaminated drinking water sources. The nation has 1,861 water systems in 29 states, serving more than 45 million Americans with traces of the additive that is a potential carcinogen. Several communities are suing the manufacturers to help pay for the cleanups. The legal shield had been championed by House Majority Leader Tom DeLay (R-Texas), whose state is home to several manufacturers of MTBE. Additionally, the final energy bill provided as much as \$1.7 billion in taxpayer subsidies to help MTBE producers retool plants to make other gasoline products as the additive is phased out. The first effort to remove the MTBE liability protection failed, 213-219 (#129) and the second failed, 201-217 (#373). (HR 6, Vote #129, 4/21/05; HR 6, Vote #373, 7/14/05; R 25-205; D 187-14; I 1-0; #373 - R 21-204; D 179-13; I 1-0)